CENTRAL MANAGEMENT SERVICES

PERSONNEL DEPARTMENT

The Personnel Department serves all of the employees of the Town that are appointed by the Board of Selectmen, the Town Manager, the Comptroller, the Town Treasurer, the Town Clerk, and the Board of Assessors. The purpose of the Department is to administer the Town's compensation and benefits programs. Additionally, the Department deals with a wide variety of issues relative to quality of life in the workplace and seeks to improve the effectiveness of Town services by recruiting the best employees and reviewing and improving the Departments' organizational structure.

The Department handled sixty personnel transactions relating to a variety of positions. This includes retirements, resignations, promotions, vacancy postings and advertisements, interviewing, selection, and enrollment of new employees. The Town had twenty-six new hires and seven promotions in the year 2006.

The Personnel Department continues to be a very busy department. In the spring of 2006 the Director of the Department went out on maternity leave with her first child. In her absence, the Deputy Town Manager served as the Acting Personnel Director along with the assistance of Janice Borg Silverman, a human resources consultant and former Human Resource Director for the City of Worcester.

In late summer, the Director returned and the Town was actively engaged in the collective bargaining process. The Town successfully negotiated contracts with two of its six unions in 2006; when 2006 was ending the Town was very near to agreement with a third union.

In the fall, the Department was extraordinarily busy preparing for open enrollment and the implementation of a myriad of changes to the Town's Health Insurance Through collective bargaining the Teachers Union (AEA), Public Works and Clerical (Local 680), Town Middle Management (SEIU), Professional Librarians along with Town and School Non Union employees agreed to higher co-payments for doctor visits, emergency room visits, and prescription drugs. This resulted in the introduction of two new health plans while maintaining the administration of the existing plans. Additionally one of the Town's Medicare Supplement products was eliminated and replaced by Harvard Pilgrim with a Medicare Advantage plan. This resulted in significant enrollment changes across the board. Also keeping up with the changes brought on by the implementation of Medicare Part D and the passage of the state's Health Insurance Reform Law has been very challenging.

In 2007 the Department of Personnel will continue to search for ways to improve the morale and health of our employees without adding a financial burden to the Town. We will also continue to audit our policies and practices to ensure compliance to various collective bargaining agreements and employments laws.

AFFIRMATIVE ACTION

The Town of Arlington has established the following mission statement relative to Affirmative Action:

The Town of Arlington recognizes its legal obligation and moral responsibility to provide Equal Employment Opportunity to its employees and potential employees. The Affirmative Action Advisory Committee, a volunteer committee appointed by the Town Manager, is committed to the Affirmative Action program to prevent discriminatory employment practices. The Committee assists the Town in implementing its Affirmative Action Plan which creates the mechanism and sets the standards by which Equal Opportunity and Affirmative Action will be assured.

The Affirmative Action Advisory Committee (AAAC) meets monthly on the 2nd Wednesday, throughout the year, in the Town Hall Annex. The Committee meetings are open to the public and public attendance is encouraged.

Throughout 2006, the Committee reviewed monthly reports from the Director of Personnel/ Affirmative Action Officer regarding employment opportunities for the Town. The principal focus of the Committee is to ensure that people of all races and ethnic backgrounds are given equal opportunity to apply for and receive positions of employment here in Arlington. The Committee continues to try to increase the number of minority and female applicants for positions of employment by communicating with the population at large through posting Town positions in publications that serve different minority communities in the area. The Committee continues to strategize about new and inventive ways in which to attract qualified minority applicants.

The Committee closely monitors minority and female participation in all construction projects of over two hundred thousand dollars. Communicating with the general contractor at the beginning of such projects is essential. As a result of working cooperatively with the Town's Purchasing Officer, the Committee achieved a greater awareness of the Town Bylaw on construction projects and our requirements with regard to female and minority participation goals. Ongoing and future projects include the completion of the Park Circle Fire Station, Water Rehabilitation, and Curb/Sidewalk improvements.

In addition to meeting with the Town's Purchasing Officer, the Committee continues to meet with Town Department heads to reinforce the message of the Affirmative Action Plan as well as offer their support in enhancing Affirmative Action opportunities within the Town. The Committee met with the Town Manager in early 2006 to

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impress upon him the Committee's strong beliefs in the importance of creating and maintaining a diverse work-place.

The Committee looks forward to working on many projects in 2007. One of these projects is the ongoing update of the Affirmative Action Plan. Members of the Committee will also be actively involved in supporting the Town in its effort to become a No Place for Hate Community. The mission of No Place for Hate is: "To empower Massachusetts municipalities to create local programs that will actively promote inclusion and respect for individual and group differences, while encouraging residents and officials to speak out against hate and intolerance."

Any person interested in the issue of Affirmative Action and Equal Opportunity Employment is encouraged to contact the Affirmative Action Officer at 781-316-3121 or email cmalloy@town.arlington.ma.us.

LEGAL DEPARTMENT

The Legal Department commences, prosecutes and defends all legal actions and other matters on behalf of the Town in all state and federal courts and administrative agencies. The Department functions as a full-service law office handling nearly all of the Town's litigation in-house. In addition to its litigation function, the Department furnishes legal opinions and advice on a daily basis on matters referred to it by the Board of Selectmen, the Town Manager, the School Department and the various Town Department Heads. Additionally, the Department provides legal advice to all Town officials, boards, committees and employees concerning their legal responsibilities and prerogatives, attends meetings and counsels Town Departments on legal issues related to operational and project-related matters as they arise. The Town Counsel drafts and prepares warrant articles and votes at Town Meeting. The Department investigates all claims, advises and monitors Town regulatory compliance and coordinates all legal affairs of local government.

As a corporation, the Town is constantly involved in contractual and other legal arrangements with public and private agencies in the purchase of properties and materials, the rendering of services and awarding of grants. The Legal Department prepares applications, contracts, leases, deeds and other legal instruments concerning these matters. Additionally, the Department drafts, reviews and approves a wide range of other legal instruments including licenses, releases, easements and a multitude of other documents required for the orderly accomplishment of the Town' increasingly complex daily legal municipal issues.

The Town Counsel as Director of Labor Relations represents the Town Manager as the Town's agent in collective bargaining with six employee unions. These

duties include supervision of negotiations, contract administration, and grievance arbitration proceedings.

The Department manages and directs the Town of Arlington's Workers' Compensation Self-Insurance program. Through the timely processing of claims and the attentive investigation of accidents, the department aims to protect workers from the economic consequences of injury, promote safe work environments, assist injured employees in both their medical recovery and return to work, and seeks overall to limit the Town's liability consistent with the fair treatment of injured workers. In coordination with participating network pharmacies, the Department manages an in-house prescription program with the goal of maximizing generic substitutions, providing greater control authorization for drugs outside our formulary design, reducing costs to the Town commencing at the point of fill and eliminating 'first-fill' out-of-pocket prescription expense to the injured employee. The Department also prepares and litigates all contested Workers' Compensation cases before the Department of Industrial Accidents as well as reviewing and responding to any pending legislation affecting the Town's Workers' Compensation program.

The Department oversees line of duty injury claims administration for all police and fire personnel. The Department is responsible for providing complete claims management for any injured on-duty uniformed employee of the police and fire divisions consistent with appropriate provisions of law, fairness to effected employees, and prudent financial practices.

The Department appeared regularly in the courts of the Commonwealth for hearings on motions, including many significant dispositive motions and successful hearings and trials. The Department provided representation to the Town in several arbitrations and administrative agencies' proceedings with successful conclusions. Additionally, the Department achieved its goal of integrating and streamlining the workers' compensation and tort claims' procedure. This two year project has resulted in a more effective, responsive, and administratively efficient claims handling process.

Future Activities

The Legal Department expects to take a leading role under the supervision of the Town Manager in an effort to successfully negotiate all Town-side contracts which expired on June 30, 2006. A central goal will be to work cooperatively with the Unions to address how healthcare costs, which impact both the Town and its employees to a significant degree, can be controlled.

The Department will also provide substantial assistance to the Redevelopment Board in its continuing efforts to finalize the development of the Symmes site, which will include taking a lead role in successfully defending the Board and the Town in litigation that has arisen from such development.

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In conjunction with the Cable Advisory Committee, the Legal Department will provide assistance to the Board of Selectmen in its capacity as the Town's cable licensing authority under Federal and State law in regard to the possible renewal of RCN's cable license which expires later in 2007. The Legal Department will coordinate negotiations for an initial license for Verizon.